

105TH CONGRESS
1ST SESSION

H. R. 945

To amend the Securities Exchange Act of 1934 to require corporations to obtain the views of shareholders concerning corporate charitable contributions.

IN THE HOUSE OF REPRESENTATIVES

MARCH 5, 1997

Mr. GILLMOR introduced the following bill; which was referred to the
Committee on Commerce

A BILL

To amend the Securities Exchange Act of 1934 to require corporations to obtain the views of shareholders concerning corporate charitable contributions.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. CHARITABLE CONTRIBUTIONS.**

4 Section 14 of the Securities Exchange Act of 1934
5 (15 U.S.C. 78n) is amended by adding at the end thereof
6 the following new subsection:

7 “(i) APPROVAL OF CHARITABLE CONTRIBUTIONS.—

8 Each issuer of a security registered pursuant to section

1 12 of this title, or a security issued by an investment com-
2 pany registered under the Investment Company Act of
3 1940, shall afford to its shareholders the opportunity, on
4 a basis proportional to the number of shares owned or con-
5 trolled by such shareholder, to participate through a
6 proxy, consent, or authorization in the designation of re-
7 cipients of the issuer's charitable contributions. This sub-
8 section shall not be construed to limit or otherwise affect
9 the authority of the management of such an issuer to des-
10 ignate additional recipients of such contributions. The
11 Commission may, by rule, grant exemptions from the re-
12 quirements of this subsection for gifts of tangible personal
13 property, gifts to public or private nonprofit educational
14 institutions, and gifts to local charities, consistent with the
15 public interest, the protection of investors, and the pur-
16 poses of this subsection.”.

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